

1 IN THE UNITED STATES DISTRICT COURT

2 FOR THE DISTRICT OF MARYLAND

3 WYNDHOLME VILLAGE, LLC, *

4 et al., *

5 Plaintiffs and *

6 Counter-Defendants, *

7 vs. *

8 NADIF OF WYNDHOLME, LLC, *

9 et al., * CIVIL ACTION NO.:

10 Defendants and * L01-3809

11 Counter-Plaintiffs *

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14 Deposition of STEPHEN McBRIDE, taken on

15 Friday, February 28, 2003, beginning at

16 11:00 a.m., at Schulman & Kaufman, 100 North

17 Charles Street, Baltimore, Maryland, before Linda

18 Ann Crockett, a Notary Public.

19

20 Reported by:

21 Linda A. Crockett

1 Partners?

2 A. Again, I answered previously I thought
3 it was by Gotham-Q, but I'd have to confirm that.

4 Q. Apart from the litigation issues, what
5 other activities have you had as an agent for
6 NADIF of Wyndholme?

7 A. More recently the bankruptcy. We've had
8 the foreclosure of the super priority loan.

9 Q. What was your role in that?

10 A. I was working with our counsel to
11 prepare the notice and to proceed with the actual
12 disposal of the super priority loan.

13 Q. How did that come to be, the
14 foreclosure; who made those decisions, in terms
15 of people you dealt with?

16 A. It was with our counsel, and again with,
17 in concert with our counsel, Bill Ackman, David
18 Klafter, Jack Quinn, Rusty Zuckerman, Steve
19 Garchik, and Neil Fisher.

20 Q. And were those discussions face-to-face
21 discussions?

1 A. After talking to counsel, there was a
2 face-to-face discussion with myself and Bill
3 Ackman, David Klafter, and Steve Garchik.

4 Q. Where did that take place?

5 A. In New York.

6 Q. Where in New York?

7 A. At the Gotham offices.

8 Q. Do you know where they are located?

9 MR. SAMMONS: The record should show that
10 the witness is referring to a computerized device
11 of some sort.

12 A. It's 110 East 42nd Street, 18th floor,
13 New York, New York 10017.

14 Q. Apart from the first foreclosure and
15 then this foreclosure, have you had any other
16 involvement?

17 A. There were discussions each time the
18 next foreclosure came up where we discussed
19 participating in those. Prior to our super
20 priority loan, there was a question if we wanted
21 to go back to the second foreclosure or the third

1 foreclosure, and in each case we said no.

2 Q. And who was involved in those
3 discussions?

4 A. It would be the same group as I repeated
5 previously.

6 Q. Who's funding any legal expenses
7 associated with the foreclosure on the super
8 priority loan?

9 A. The funding is by Gotham Partners.

10 Q. When did you first meet Neil Fisher?

11 A. I think it was 2000. I think it was the
12 beginning of the year 2000. I don't remember the
13 date.

14 Q. And where did you meet him and under
15 what circumstances?

16 A. I met him in Washington, D.C. It was at
17 a hotel dinner. Well, actually, a sit-down,
18 because he and Jack Quinn and Rusty Zuckerman,
19 yes, all three were there with myself and Steve
20 Garchik, because they were interested in other
21 real estate ventures.

1 Q. And what were those other ventures?

2 A. They were interested in a convention
3 center hotel in Washington, D.C. They were
4 interested in a project up in New York. They
5 were interested in several projects in Florida --
6 it was Brickell Avenue. And then there were
7 three others. I just can't remember the names of
8 them.

9 Q. Have any of those projects gone forward?

10 A. The Brickell Avenue one did.

11 Q. And where is that specifically?

12 A. That's Miami.

13 Q. And who's involved in that project?

14 A. Gotham Partners, Jack Quinn, Rusty
15 Zuckerman, Neil Fisher, and Tamara Fisher, not
16 Neil Fisher.

17 Q. And how did you pronounce her first
18 name?

19 A. Whose first name?

20 Q. Tamara?

21 A. Tamara Fisher.

1 Q. Who is Tamara Fisher?

2 A. The wife of Neil Fisher.

3 Q. What is her involvement?

4 A. She was the one who signed on the LLC.

5 Q. What is the name of that LLC?

6 A. It's 1060 Brickell, LLC.

7 Q. Is that a Florida LLC?

8 A. Yes.

9 Q. Apart from signing on the LLC, has she
10 had any other role?

11 A. Not that I know of.

12 Q. And has Mr. Fisher had any role in that
13 project?

14 A. Yes, he did.

15 Q. What was that -- what was his
16 involvement?

17 A. He worked on getting approvals for a
18 raw piece of land to an entitled piece of land
19 locally.

20 Q. Who owns that LLC?

21 A. That LLC is owned by -- 50 percent by

1 Gotham. I think it's 20 percent by Jack Quinn,
2 20 percent by Tamara Fisher, and I think Rusty
3 Zuckerman has 5 percent and Paul Slaten has 5
4 percent. Again, I'd have to check those
5 documents.

6 Q. Where would you go to check those
7 records?

8 A. Under the 1060 Brickell, LLC.

9 Q. Are those papers in Potomac, Maryland?

10 A. Yes, a copy of those.

11 Q. Do you know why Tamara Fisher signed on
12 the LLC?

13 A. I don't understand the question.

14 Q. What's her role in the LLC; why was she
15 signing?

16 A. I don't know that answer.

17 Q. Do you know who would know?

18 A. No.

19 Q. But that was her only role in the
20 project?

21 A. Again, that's what I know. I can't

1 answer that.

2 Q. What has been your role in that project?

3 A. We, again, acted as an agent for Gotham
4 to represent their real estate, their interest in
5 the project.

6 Q. And what specifically would have been
7 your activities?

8 A. I worked with the partners in
9 coordinating the project, coordinating, one, the
10 funding of the project for the entitlement, and
11 two, the design and development of the project.

12 Q. And what was the source of the funding
13 for the project?

14 A. From Gotham Partners.

15 Q. What's the stage -- in what stage is the
16 project today?

17 A. The project is entitled and Gotham is
18 considering either selling it or going -- the
19 partners are considering either selling it or
20 going into a joint venture to build it.

21 Q. And what are they considering building?

1 A. The entitlement is for two residential
2 towers with a parking garage.

3 Q. Now, apart from this particular venture,
4 have you worked with Mr. Fisher on any other
5 projects?

6 A. He has proposed projects to Gotham. But
7 I have never worked with him on any other
8 projects outside of these two.

9 Q. What were those other projects?

10 A. The ones I mentioned previously that he
11 proposed to Gotham, and then he proposed, after
12 that project, another project on Brickell Avenue.

13 Q. How do you spell that, just so the
14 record is clear?

15 A. B-R-I-C-K-E-L-L.

16 Q. Did he ever propose anything related to
17 the construction of a Ritz-Carlton here in
18 Baltimore?

19 A. He proposed Gotham investing in it.

20 Q. And what did you propose specifically
21 with regard to the Ritz-Carlton?

1 A. He proposed that Gotham become a partner
2 in the project. It didn't go far, just one
3 meeting.

4 Q. Do you know why it didn't go far?

5 A. The risk and rewards appeared, at that
6 meeting, not to be what Gotham wanted.

7 Q. Who was present at that meeting?

8 A. Bill Ackman, Neil Fisher, myself, Steve
9 Garchik, and Jack Quinn.

10 Q. In terms of the Brickell Avenue project,
11 were you present at any meetings in which
12 Mr. Fisher attended with Mr. Ackman present or
13 Mr. Quinn?

14 A. Say that again.

15 Q. Were you present at any meetings in
16 which Mr. Ackman attended regarding Brickell
17 Avenue?

18 A. Yes, I was.

19 Q. Where were those meetings?

20 A. The meetings that I was at that
21 Mr. Ackman attended with Mr. Fisher were in New

1 A. Yes, that's correct.

2 Q. Do you know what a cross
3 collateralization agreement is?

4 A. Yes.

5 Q. What is it?

6 A. It can be, when you have various
7 properties or various interests, often a loan is
8 done like that.

9 Q. Are you aware of any cross
10 collateralization agreements involving
11 Mr. Fisher?

12 A. There's a cross collateralization
13 agreement between Brickell.

14 Q. What does that provide?

15 A. That provides that if there's losses in
16 one project, the gains of another project are
17 covered by those losses.

18 Q. And do you know when that was executed?

19 A. I think that was in 2000, near the end
20 of 2000.

21 Q. And is there a copy of that in Potomac?

1 A. Yes.

2 Q. Is NADIF of Wyndholme, LLC a party to
3 that particular agreement?

4 A. I don't know. I'd have to read who
5 signed it. I can't remember.

6 Q. Are you able to tell me any of the
7 persons or entities that are parties to that
8 agreement?

9 A. I believe Gotham, in some form, and then
10 Jack Quinn, Rusty Zuckerman, Neil Fisher, and
11 Paul Slaten.

12 Q. Is Fisher's wife a party to that?

13 A. I don't know if it's Fisher or his wife
14 who signed it. I can't remember.

15 Q. Where does Mike Weiss have his office?

16 A. In New York at the address I gave
17 previously, the Gotham office.

18 Q. Does he ever come down to Potomac to
19 review books there?

20 A. No.

21 Q. Are reports ever sent to Mr. Weiss?